

## **FISCAL NOTE**

### **HB 3971 - SB 3936**

March 13, 2006

**SUMMARY OF BILL:** Requires health insurance issuers and managed health insurance issuers to grant licensed durable medical equipment suppliers or licensed home medical suppliers the right to participate as a provider on the same terms and conditions as are offered to any other supplier of medical equipment under the policy, contract or plan.

#### **ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures – Not Significant**

**Increase Local Govt. Expenditures – Not Significant**

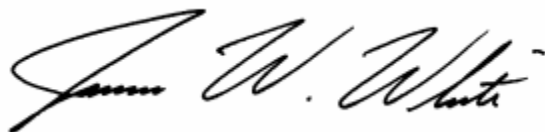
**Potential Impact on Health Insurance Premiums (required by Tenn. Code Ann. § 3-2-111): Such legislation will not have a significant impact on the cost of health insurance premiums because the provider has to agree to the same terms and conditions as those providers considered as “in-network.”**

Assumptions:

- The state and local govt. health plans will not incur a significant increase in state expenditures because the terms of the provider contracts will be equal to the current network provider contracts.
- Local govt. health plans that are not part of the state health plans will not incur a significant increase to local govt. expenditures because the provider will agree to the same terms and conditions as other network providers.
- The bill exempts the TennCare program.

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director